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The situation in the Middle East

Question of Palestine

Security Council
Sixty-eighth year

Peaceful settlement of the question of Palestine

Report of the Secretary-General

Summary

The present report is submitted in accordance with General Assembly resolution 67/23. It contains replies received from the parties concerned to the notes verbales sent by the Secretary-General pursuant to the request contained in paragraph 26 of the resolution. The report also contains the observations of the Secretary-General on the current state of the Israeli-Palestinian conflict and on international efforts to move the peace process forward with a view to achieving a peaceful settlement. The report covers the period from September 2012 to August 2013.

* A/68/150.

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I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 67/23.

2. On 26 July 2013, pursuant to the request contained in paragraph 26 of the above-mentioned resolution, I addressed the following letter to the President of the Security Council:

> "I have the honour to refer to resolution 67/23, which the General Assembly adopted on 30 November 2012, at its sixty-seventh session, under the agenda item 'Question of Palestine'.
>
> "Paragraph 26 of the resolution 'requests the Secretary-General to continue his efforts with the parties concerned, and in consultation with the Security Council, towards the attainment of a peaceful settlement of the question of Palestine and the promotion of peace in the region and to submit to the General Assembly at its sixty-eighth session a report on these efforts and on developments on this matter'.
>
> "In order to fulfil my reporting responsibilities under this resolution, I should be grateful if you would kindly convey to me the views of the Security Council by 12 August 2013.
>
> "Recalling the Secretariat's obligation to observe the page limit of its reports, pursuant to General Assembly resolution 52/214, I would like to encourage the Security Council to limit its submission to 1,500 words."

3. As at 2 September, no response had been received to that request.

4. In a note verbale dated 29 May 2013 to the parties concerned, I sought the positions of the Governments of Egypt, Israel, Jordan, Lebanon and the Syrian Arab Republic, as well as the Palestine Liberation Organization, regarding any steps taken by them to implement the relevant provisions of the resolution. As at 31 August 2013, replies had been received from Israel, Lebanon and the Palestine Liberation Organization.

5. The note verbale dated 14 August 2013 from the Permanent Mission of Israel to the United Nations reads as follows:

> "As shown in the meeting records, Israel voted against this resolution, as it has done on similar resolutions adopted in the past by the General Assembly. Resolution 67/23 joins the numerous one-sided resolutions passed annually by the General Assembly which only serve to undermine the credibility of the United Nations as an impartial agent for the advancement of peace.
>
> "The Permanent Mission of Israel wishes to reiterate the considerations that guided this voting practice.
>
> "Despite the Israeli Government's efforts and notwithstanding the improved economic environment both in the West Bank and in Gaza, Palestinian terrorism continued unabated. The year 2012 saw a dramatic rise in terror attacks from the Gaza Strip, including rockets, IEDs, sniper fire and infiltration attempts. In total, there were 163 incidents (excluding rocket attacks), in comparison with 89 incidents in 2011. Similarly, there was a sharp increase in rocket attacks — both in numbers (211 per cent), range and

accuracy, as the targeting of both Tel Aviv and Jerusalem in November 2012 clearly demonstrated.

"In response to the escalating attacks from Hamas and other terror groups in the Gaza Strip, Israel launched operation 'Pillar of Defense.' In the months leading up to the operation, incidents along the border fence increased both in frequency and severity. Explosive devices, sniper fire, anti-tank fire and a booby-trapped tunnel, combined with the 787 rockets that had landed in Israel since the start of 2012, necessitated action to protect more than 1 million Israeli civilians.

"Throughout the eight-day operation, Israel worked together with international organizations and governmental representatives to provide assistance for Gaza's civilian population. During that period, no fewer than 1,532 rockets, including long-range missiles, were fired at densely populated areas in Israel, effectively placing millions of civilians at risk. In total, six Israelis (two of whom were soldiers) were killed and over 250 injured.

"Despite a relentless and acute threat to its security, Israel has gone to great lengths to extend humanitarian assistance and foster conditions for Palestinians economic growth. Throughout 2012, cooperation intensified with the relevant international community organs on the ground, resulting in the successful implementation of dozens of projects, alongside various measures aimed at alleviating Palestinian economic hardships. No fewer than 219,469 entry permits were issued for medical patients and their companions, representing an increase of 11 per cent on 2011 figures. Israel also shouldered the costs of medical treatment for 20 Palestinian children whose families could not afford to do so.

"Extensive measures were introduced to improve the process of crossing from the West Bank to Israel, including the extensive refurbishment of installations and streamlining the relevant bureaucratic procedures. The number of Palestinian civilians crossing into Israel for recreational purposes nearly tripled since 2011. Similarly, the number of Israeli work permits increased and their terms broadened significantly.

"In the Gaza strip, Israeli measures adopted back in 2010 resulted in sharply increased imports. In November 2012, the policy was once again expanded, with the immediate outcome of an 8 per cent increase in the number of trucks entering Gaza during the year. Israel invested 80 million NIS to upgrade capacity at the Kerem Shalom crossing to 400-450 trucks per day. During 2012, no fewer than 57,540 trucks crossed via Kerem Shalom compared to 53,874 trucks in 2011. The number of pedestrians passing through the Erez Crossing also increased by 25 per cent overall.

"The Palestinian Authority (includes both Gaza and West Bank combined) economic growth continued steadily throughout 2012. In the first three quarters of the year, gross domestic product rose by 6.1 per cent compared with the same period in 2011, despite the worldwide economic slowdown.

"Resolution 67/23 does not refer to or reflect any of the information outlined above, thus resulting in a misleading and erroneous picture of the situation on the ground.

"At the same time, the Palestinian Authority has continued its efforts to delegitimize Israel by taking unilateral steps in various multilateral forums, culminating in its appeal for non-member status at the United Nations in November 2012.

"It is hoped that the recent resumption of direct negotiations between Israel and the Palestinian Authority will contribute to the achievement of a comprehensive resolution of the conflict."

6. The note verbale dated 2 August 2013 from the Permanent Observer Mission of the State of Palestine to the United Nations reads as follows:

"The State of Palestine believes resolution 67/23 constitutes a major contribution by the international community to the ongoing efforts to realize a peaceful, just, comprehensive solution to the Israeli-Palestinian conflict and the question of Palestine as a whole. In this regard, we reiterate our firm belief that efforts at the United Nations, the center of multilateral activity in our world, can and must contribute towards peace and will not obstruct its realization.

"For decades, this resolution has defined the foundations for peace according to international law. The vast support for the resolution underscores the global consensus favoring a solution that results in Israel's withdrawal from the Palestinian territory occupied since 1967, including East Jerusalem, and achievement of the solution of two States: an independent, sovereign, democratic, viable and contiguous State of Palestine, living side by side with Israel in peace and security on the basis of the pre-1967 borders, and a just solution for the Palestine refugees based on resolution 194 (III) (1948).

"During the sixty-seventh session, this consensus was also boldly reaffirmed by the General Assembly in resolution 67/19, 'Status of Palestine in the United Nations', which accorded to Palestine non-member observer State status in the United Nations, in recognition of Palestine's statehood. Resolution 67/19 also recalls the parameters of a peace settlement, as defined in relevant United Nations resolutions, the Madrid principles, the Arab Peace Initiative and the Quartet Roadmap, reaffirming unequivocal support for the two-State solution, an essential element for the majority of States voting in favor. The urgency of realizing the two-State solution and the Palestinian people's right to self-determination and independence in their State of Palestine on the Palestinian territory occupied since 1967, a right explicitly reaffirmed in the resolution, is further reflected in the calls for resumption and acceleration of negotiations in the Middle East peace process for achievement of a peace settlement and for all States, specialized agencies and organizations of the United Nations system to assist the Palestinian people in the early realization of their right to self-determination, independence and freedom.

"Support for resolution 67/19 came from all corners of the globe, comprising countries from every major political and regional group, including the Arab League, the Non-Aligned Movement, the Organization of Islamic Cooperation, the European Union, the Group of Latin American and Caribbean Countries, the African Union, the Caribbean Community, the Nordic Group and the Asia-Pacific Group. The resolution — adopted on 29 November 2012, 65 years since the Assembly's adoption of resolution 181 (II) partitioning Palestine in 1947 — was viewed by Member States as a vital opportunity to contribute to

salvaging the two-State solution in the light of its precarious status due to the illegal policies of Israel, the occupying Power, in the Occupied Palestinian Territory, including East Jerusalem — the Territory constituting the State of Palestine — that have diminished the solution's viability and popular conviction in the potential to justly realize it.

"Moreover, resolution 67/19 constitutes another important step by the international community towards rectifying the historic injustice endured by the Palestinian people and paving the way for the State of Palestine's full, rightful inclusion in the community of nations, pending acceptance of the application for admission to United Nations membership, which remains before the Security Council following its submission by President Mahmud Abbas on 23 September 2011, consistent with the right to self-determination enshrined in the Charter and relevant resolutions, from 181 (II) to 242 (1967) to the present.

"Since the adoption of resolutions 67/19 and 67/23, the State of Palestine has upheld its legal obligations and strived to implement the resolutions' provisions, endeavoring to advance conditions conducive for peace. This is consistent with Palestinian efforts and respect for United Nations resolutions and international law over the years. As acknowledged by the international community, Palestine has consistently fulfilled its obligations in good faith, despite the enormous challenges and manifold crises faced under Israeli occupation.

"Moreover, the Palestinian leadership has never placed conditions on the peace process and has only rightly called for respect of international law and the United Nations resolutions, including resolution 67/23, that constitute the foundation of that process. Respect of the law is obligatory for all States, including Israel, the occupying Power, and is vital for overcoming the problems that have repeatedly caused the peace process to fail and exacerbated conditions on the ground, causing grave hardship for the Palestinian people and undermining the two-State solution. And there is consensus that such respect is what will ensure that negotiations between the parties to resolve all final status issues — Jerusalem, Palestine refugees, settlements, borders, security, prisoners and water — will succeed and speedily result in the conclusion of a just peace agreement.

"In fact, the longstanding international position in support of the two-State solution — based on the parameters of, inter alia, the 4 June 1967 borders as the basis of the two States, Jerusalem as the shared capital of the two States, and a just agreed solution for the Palestine refugees as per relevant resolutions — is the position that the Palestinian people and their leadership have been committed to for at least a quarter century, since their formal acceptance of the two-State solution with the adoption of the Declaration of Independence of the State of Palestine in 1988. This significant compromise to establish the State of Palestine on only 22 per cent of our historic homeland for the sake of restoring our rights, achieving our freedom and ending the conflict is among the boldest reflections of the Palestinian commitment to peace and coexistence, despite the historic injustice inflicted on our people, including the Palestine refugees, who now number over 5 million people and who continue to endure the untold hardships of exile, including as a result of the crises that have wracked the region, the most recent being the grave conflict in Syria.

"This commitment is at the core of the Palestinian leadership's pragmatism, from its engagement in all incarnations of the peace process from the Madrid Conference forward and its cooperation with all initiatives to advance it, to its legitimate actions at the United Nations to safeguard and realize the rights of the Palestinian people. This commitment has, remarkably, prevailed despite the deleterious impact of Israel's unlawful policies and the consequent setbacks in the process.

"Heeding the calls in resolutions 67/19 and 67/23, Palestine again declares its readiness to make peace. We are ready to seize the current opportunity resulting from serious international and regional efforts, including by the United States, in coordination with the Ministerial Committee for the Arab Peace Initiative, along with the efforts and support of concerned States from around the world, efforts with which Palestine has cooperated at all stages. As of the writing of this note, we have committed to resume direct negotiations with Israel, based on our genuine desire to end the Israeli-Palestinian conflict, the core of the Arab-Israeli conflict and establish peace.

"The decisions made now will determine whether the solution of two States — the State of Palestine and State of Israel — living side by side in peace and security on the basis of the pre-1967 borders will be achieved, or whether that solution will be tragically brought to an end by Israel's illegal policies. The State of Palestine is prepared to uphold its responsibilities towards its achievement and the just resolution of all final status issues, and believes that the international community is likewise ready to uphold its obligations, as reflected in resolution 67/23. However, we caution that our collective efforts, no matter how well-intentioned and serious, will fail if Israel persists with the illegal policies and practices of its 46-year military occupation.

"For a meaningful peace process to be sustained and succeed, the reality on the ground must be immediately redressed. Respect for resolution 67/23 would greatly contribute to fostering an environment compatible with, and supportive, of the process' goals. If Israel remains intransigent, however, the process will fail again with far-reaching consequences, ushering a search for alternative solutions and the onset of alternative efforts, political, legal and popular, to end the injustice and realize the inalienable human rights and legitimate national aspirations of the Palestinian people.

"Regrettably, since adoption of resolution 67/23, Israel has continued its measures of aggression, colonization and collective punishment against the Palestinian people, in flagrant breach of international law, including the Fourth Geneva Convention and the human rights covenants, and General Assembly, Security Council, Human Rights Council, Economic and Social Council, United Nations Educational, Scientific and Cultural Organization and other resolutions, in disrespect of the International Court of Justice Advisory Opinion (9 July 2004), and in arrogant disregard for the global calls for compliance.

"This has included, inter alia: construction of settlements and the Wall, particularly in and around Occupied East Jerusalem, Bethlehem and the Jordan Valley; establishment of so-called 'settlement outposts'; declarations regarding construction of thousands of settlements units, with particular intensity and in a blatantly retaliatory, punitive manner following the adoption of resolution 67/19; confiscation of hundreds of dunums of land; forced displacement and

transfer of Palestinian civilians, particularly Bedouin families; demolition of homes; violent military raids by the occupying forces causing loss of life, injury and property destruction; excessive force against peaceful civilian protesters; daily arrests and detention of civilians, including children; continued imprisonment of nearly 5,000 Palestinians under horrific conditions and abuse, including several prisoners remaining on hunger strike; a myriad of measures obstructing freedom of movement, foremost the illegal blockade on the Gaza Strip, which has entered its seventh year and is the cause of vast humanitarian suffering; and aggravation of religious sensitivities, with provocations against holy sites, especially at Al-Haram Al-Sharif, detention of the Grand Mufti of Jerusalem and harassment of worshippers, including during Christian Easter observances and the Muslim holy month of Ramadan.

"Extremist Israeli settlers have also continued their criminal rampages, terrorizing Palestinian civilians, destroying farmlands and thousands of trees, vandalizing churches and mosques and threatening the sanctity of Al-Haram Al-Sharif. Settlers act with support and incitement from Israeli officials encouraging colonization and de facto annexation of Palestinian land. Public statements by Ministers and Knesset members have exposed extremist positions of parts of the Israeli Government coalition, revealing rejection of the two-State solution and the rights and even existence of the Palestinian people, which is a serious cause for concern as we seek to overcome the political impasse.

"Palestine reiterates: the two-State solution and Israel's settlement campaign are completely irreconcilable. As stressed in resolution 67/23 and by the international community at all junctures: settlement activities are illegal, constitute the major obstacle to peace and must be completely halted. In fact, settlement activities constitute war crimes under the Fourth Geneva Convention, Additional Protocol 1, and the Rome Statute of the International Criminal Court.

"Speaking of peace, while engaging in its destruction, makes a mockery of the international community's support for the two-State solution and sabotages all efforts in this regard, as does claiming 'readiness to negotiate without conditions', while actually imposing conditions on the ground in the form of illegal, hard facts that entrench the occupation and obstruct a peace agreement. Until now, this has regrettably been Israeli policy, whereby settlement activities in the Occupied Palestinian Territory, including East Jerusalem, increased by 355 per cent in the first quarter of 2013, further impairing the Territory's contiguity and physically jeopardizing the two-State solution.

"At this critical moment, Israel must tangibly demonstrate its willingness to end its occupation and truly make peace. The mentality and policies of occupation must end. This must include cessation of all settlement activities, regardless of the manifestation. Also, Palestinian prisoners must be released, military operations halted and all measures of collective punishment ceased, including the blockade of Gaza. This is imperative to stem the deterioration of the situation and of popular belief in the possibility for peace, and to salvage this final chance for the two-State solution.

"The international community must remain vigilant in demanding Israel's respect for international law and United Nations resolutions. A firm message must be conveyed that Israel's illegal policies must be halted and that the price

of occupation is steep, while there is much to be gained from peace. Here, we recall the June 2013 guidelines adopted by the European Union, which can tangibly contribute to promoting compliance with the law and thus advancing a peaceful solution. If Israel persists with its violations, the international community must hold it accountable, ensuring respect of the law, averting further destabilization and preserving the prospects for peace. Failure to do so would be a disservice to the cause of peace, endangering the future of the Palestinian and Israeli peoples and threatening peace and security in the Middle East and beyond.

"As reaffirmed in resolution 67/23, the permanent responsibility of the United Nations towards the question of Palestine until it is resolved in all aspects must be upheld and relevant resolutions implemented, including by the Security Council as per its Charter duty to maintain international peace and security. We also recognize here the important role of the United Nations Committee on the Exercise of the Inalienable Rights of the Palestinian People in raising international awareness and support for Palestinian rights and a just solution to the conflict.

"For its part, the State of Palestine will continue to act responsibly, upholding its commitment in word and deed to the goal of peaceful settlement, and to cooperate with all international efforts in this regard, based on its conviction in the rule of law and the international resolve to promote a just solution that will achieve the independence of the State of Palestine, with East Jerusalem as its capital, on the basis of the pre-1967 borders; the rights of the Palestinian people, including the Palestine refugees; and peace and security for Palestine and Israel.

"Internally, the Palestinian Government will continue developing Palestinian national institutions and infrastructure in accordance with the national plan, aiming to strengthen our State's foundations, serve our people and ease their hardships while still under occupation. We are grateful for the international community's full support for these efforts, the progress of which is well-documented by the Ad Hoc Liaison Committee for the Coordination of the International Assistance to Palestinians, the World Bank and the United Nations, despite the constraints caused by Israel's unlawful actions and the ongoing financial crisis.

"The Palestinian leadership will also continue striving to end the division among our political factions, as demanded by our people and in line with Security Council resolution 1860 (2009) and the widespread calls for unity. We continue to seek implementation of the May 2011 Reconciliation Agreement signed in Cairo and the February 2012 Declaration signed in Doha. We appeal for international support for Palestinian reconciliation and express appreciation for the consistent position by the Secretary-General and the United Nations Special Coordinator for the Middle East Peace Process in this regard and for all their efforts for peace.

"In conclusion, while reflecting on resolution 67/23 and urging its implementation, we reiterate gratitude for the efforts of the entire United Nations system to promote realization of the rights of the Palestinian people and a peaceful settlement. We also reiterate gratitude for the principled support of all concerned States and peoples worldwide, and urge that no effort be

spared to achieve long-overdue freedom, justice and dignity for the Palestinian people and Israeli-Palestinian peace."

7. The note verbale dated 19 June 2013 from the Permanent Mission of Lebanon to the United Nations reads as follows:

> "Lebanon is committed to the provisions of General Assembly resolution 67/23 of 30 November 2012, entitled 'Peaceful settlement of the question of Palestine', in accordance with the principles of the United Nations and international law. The firm position of Lebanon is to insist on the implementation of the international resolutions safeguarding the right of the Palestinian people to self-determination, to return to its land and to establish its independent State with Jerusalem as its capital. Lebanon supports the right of return and rejects settlements in all its forms. It is committed to the Arab Peace Initiative that was agreed at the Beirut summit of 2002 with a view to upholding Arab rights and the rights of the Palestinian people."

II. Observations

8. Efforts intensified to achieve the peaceful settlement of the question of Palestine during the latter half of the reporting period. Direct Israeli-Palestinian negotiations, discontinued in September 2010, resumed on 29 July 2013. The situation on the ground remained challenging, in particular for the population living under closure in Gaza while Israel continued to face the threat of rocket fire. In the West Bank, tensions persisted while settlement activity continued to accelerate. The situation on the ground presented a growing cause for concern over the viability of the two-State solution. At the same time, the Palestinians continued to implement an ambitious State-building programme. They also briefly resumed their efforts towards reuniting the West Bank and Gaza, albeit with limited success at reconciliation.

9. In parallel to those developments in the peace process, on 29 November 2012 the General Assembly accorded Palestine non-member observer State status in the United Nations with the adoption of resolution 67/19 through a majority of 138 votes in favour. I reported on the steps taken regarding the change of status of Palestine in the United Nations, as well as the progress made, or lack thereof at the time of my report, in resuming the Middle East peace process on 8 March 2013 (A/67/738). The application for full United Nations membership remains pending before the Security Council.

10. Quartet envoys met in Brussels on 12 December 2012 and again on 10 January 2013 in Amman. They discussed ways to help the parties avoid escalation diplomatically and on the ground in the short term, while also finding a way back to negotiations. Quartet envoys continued to work with the parties to encourage them to step up direct contacts and refrain from provocations, and reminded them of their road map obligations. I also continued to engage with the parties, as well as with key international and regional leaders, both in New York and on the margins of international conferences and events, in order to encourage concerted efforts to forge a way forward.

11. From 20 to 22 March 2013, the President of the United States of America, Barack Obama, visited the region with his Secretary of State, John Kerry. The visit by President Obama marked an important opportunity to reinvigorate efforts

towards a two-State solution. During President Obama's speech on 21 March in Jerusalem he called for an independent, viable Palestine, while emphasizing Israelis' right to insist upon their security. The President also reiterated his earlier suggested principles on territory and security which he believed can be the basis for talks, and called for Arab States to take steps towards normalized relations with Israel. Secretary Kerry remained in the region to meet with Israeli leaders, and in five subsequent visits to the region he continued to meet with both the Palestinian and Israeli leaderships to discuss the resumption of dialogue leading to peace.

12. I met with President Obama on 11 April 2013 in Washington, D.C. We agreed that there is at least a window of opportunity for both Israelis and Palestinians to resume negotiations. I reconfirmed the commitment of the United Nations to support, including through the Quartet, a substantive initiative with a defined political horizon to achieve a two-State solution. I also spoke to the urgency of progress towards peace.

13. In a particularly important visit to Washington, D.C., on 29 April, the Follow-up Committee on the Arab Peace Initiative of the League of Arab States, a delegation of Arab Ministers and leaders including the then-Prime Minister of Qatar, Sheikh Hamad bin Jassim al Thani, and Arab League Secretary-General Nabil Al-Araby, reaffirmed the importance of the Arab Peace Initiative first proposed in 2002, and the Committee declared that a peace agreement should be based on the two-State solution on the basis of the 4 June 1967 line, with the possibility of comparable and mutually agreed minor swaps of land, reviving prospects that its promise of regional stability can become an important part of developing peace efforts.

14. On his sixth trip to the Middle East, Secretary Kerry secured the commitment of both sides, announcing on 19 July in Amman that the parties had established the basis to resume direct final status negotiations between Israelis and Palestinians. It is against this compelling background that I welcomed Secretary Kerry's intense diplomatic efforts in recent months. On 29 and 30 July 2013, Secretary Kerry hosted the first meeting between Palestinian and Israeli officials since September 2010. The Middle East Quartet and I welcomed and supported this engagement.

15. Some very tough choices were required from both sides in the period ahead. Both leaders had to win the support of their domestic constituencies for renewed negotiations. Prime Minister Netanyahu secured his cabinet's approval to release 104 pre-Oslo Palestinian prisoners during the course of an agreed nine month timetable for negotiations. On the eve of the first round of direct negotiations held in Jerusalem, the first group of 26 Palestinian prisoners was released on 13 August. However, I was deeply troubled by the announcement by Israel of approvals of some 3,000 housing units in the West Bank, including in East Jerusalem. A second round of negotiations was held on 20 August in Jericho.

16. It was against this background that I travelled to the region — to Jordan, Palestine and Israel — on 15 and 16 August to lend my personal support to the leaders on both sides. I was encouraged by the seriousness of efforts to bring the parties to the negotiating table after a prolonged political stalemate. I was particularly heartened by the bold decision of President Abbas and Prime Minister Netanyahu to embark on direct dialogue. I found both Palestinian and Israeli leaderships recommitted to the vision of a two-State solution, which is clearly in the best interest of both peoples. It is my firm belief that direct negotiations are the only way through which Palestinians can realize their rightful aspirations for an independent and viable Palestinian State and Israelis can meet their legitimate security needs and finally become a crucial

partner in the development of a stable and prosperous Middle East. For the negotiations to have a chance at success, they need to be meaningful with a clear political horizon and yield early dividends in the immediate period ahead.

17. Palestinians continued to advance their State-building programme, albeit limited to the territory under the Authority's control, which excluded Area C, East Jerusalem and Gaza. This formed an essential component of the political process. Despite strong international consensus that the Palestinian Authority was capable of running a State, the Ad Hoc Liaison Committee for the Coordination of the International Assistance to Palestinians was primarily concerned over the fiscal sustainability and economic viability due to the Palestinian Authority's fiscal difficulties during the reporting period. They also maintained that concerted action was urgently needed to stabilize the fiscal position of the Palestinian Authority and rekindle private sector-led economic growth. Efforts by the Palestinian Authority towards structural reforms including fiscal containment, as well as adequate and predictable assistance to the Palestinian government by donors, were considered essential to manage the deficit projected at $1.7 billion.

18. Bearing in mind Security Council resolutions 1860 (2009) and 1850 (2008), I continued to support efforts to advance Palestinian unity within the framework of the commitments of the Palestine Liberation Organization (PLO), the positions of the Quartet and the Arab Peace Initiative. Reconciliation on this basis and on the basis of Israeli-Palestinian peace talks need not be mutually exclusive, and a united Palestinian polity is necessary for the viability of the two-State solution. I welcomed the efforts extended to this effect, notably by Egypt.

19. Despite a series of meetings between members of Fatah and Hamas in Cairo to advance the implementation of existing reconciliation agreements, there has been little progress to date other than the successful voter registration drive conducted, from 11 to 20 February in both the West Bank and Gaza, for the first time since 2007. A total of 450,000 new electors were registered by the Palestinian Central Election Commission, including 350,000 in Gaza. On 2 April, Khaled Meshaal was re-elected Head of the Hamas Political Bureau.

20. The situation in occupied East Jerusalem remained tense. Clashes occurred on 7 and 8 May in East Jerusalem in and around the Old City in the context of what Israelis call "Jerusalem day". Restrictions on access for Palestinians were imposed in connection to visits in the esplanade of the Haram al-Sharif/Temple Mount by right-wing Israeli activists. This was coupled with the temporary detention of the Grand Mufti of Jerusalem for interrogation over reported incitement. Jerusalem is a final status issue that requires a negotiated solution. I have consistently emphasized that a way must be found for the city to emerge, through negotiations, as a capital of two States, Israel and Palestine, with arrangements for holy sites acceptable for all. It is equally important that political and religious authorities on both sides continue to ensure that the cultural and religious rights of all are duly respected.

21. The expansion of settlements, which undermines the territorial basis for a future Palestinian State and the credibility of Palestinian moderates, is of particular concern. I have repeatedly stressed that all settlement activity in the occupied Palestinian territory, including East Jerusalem, is illegal under international law. Over the reporting period, the Government of Israel approved tenders for the construction of approximately 18,109 residential units in settlements in the West Bank, including East Jerusalem, and retroactively legalized others. In July the

Government of Israel announced its intention to issue construction tenders for 854 housing units in the settlements of Har Homa, Nokdim and Modi'in Ilit. Construction in such sensitive areas is of particular concern, as it impedes the natural development of Palestinian urban centres. Moreover, the Israeli authorities did not act effectively against the construction of illegal outposts on private Palestinian land. A report of the Israeli State comptroller issued on 17 July noted that there was little to no criminal law enforcement in the settlements regarding violations of planning and construction law and that administrative procedures for demolitions are rarely implemented.

22. Settler violence decreased slightly from last year. It is deeply troubling that attacks by settlers on Palestinians and their property have become a systematic occurrence — often but not exclusively in the context of anticipated Government action against illegal settlement construction. Attacks by settlers on Palestinians and their properties resulted in 159 Palestinians, including 35 children, being injured during the reporting period.

23. The demolitions and evictions that took place in Area C over the reporting period are of deep concern and were condemned by the international community. Palestinians require access to a fair planning and zoning regime so as not to resort to the building of unauthorized structures that lead to unjustified demolitions, which often impact the most vulnerable people. Throughout the reporting period, demolitions have led to the displacement of some 907 individuals, including 458 children, in the West Bank and East Jerusalem. Overall, more needs to be done to ease access and movement throughout the West Bank, including Area C, the Jordan Valley and Gaza.

24. The situation in Gaza remains precarious. In the wake of the political developments in Egypt, the Egyptian authorities took robust measures against the tunnels into Gaza. As a result of those actions against illegal activity, according to some estimates 80 per cent of the tunnels are now no longer functioning. Gaza experienced serious shortages of fuel and basic building materials for which the tunnels had become the primary entry point owing to severe restrictions on imports via the official crossings and the higher cost of fuel available from the West Bank and Israel. While the only Israeli crossing for goods, Kerem Shalom, has remained open and is handling increased quantities of consumer goods, I am concerned that already difficult economic and humanitarian conditions in Gaza will further deteriorate if access into Gaza through legal crossings of basic commodities such as building materials is not liberalized. I encourage all parties not to forget the precarious situation in Gaza and to take advantage of the improved context between the parties to further lift the remaining closures. These changes must be applied with due consideration for the legitimate security concerns of Israel. Of positive note is the liberalization by Israel of the entry of key construction materials into Gaza, to some extent, by allowing an average of 20 truckloads of construction material per day to enter Gaza for the private sector in December 2012. That has helped the private sector to legally procure those materials to address the infrastructural needs of Gaza.

25. The full implementation of Security Council resolution 1860 (2009) and the recovery and long-term economic growth of Gaza remain fundamental objectives of the United Nations. Some significant progress was made towards that goal, but much more needs to be done. In this context, United Nations reconstruction work worth $450 million in Gaza has been approved by the Government of Israel. That has had a positive effect not only for those receiving services but also on short-term employment; however, the economic benefits of increased employment will end

with the conclusion of those work. Deeper and more fundamental change is therefore required to enable a functioning Gazan economy, beginning with authorizing exports to Israel, as well as transfers to and from the West Bank. Without those essential steps, the future of Gaza will remain tenuous at best.

26. The reporting period witnessed alarming escalations of tension between Gaza and Israel. The fragility of the relative calm was once again demonstrated on a number of occasions throughout the reporting period, and a dangerous escalation took place from 14 to 21 November 2012 during Operation Pillar of Defense. The Israel Defense Forces publicly reported that it had conducted strikes against more than 1,500 targets in Gaza. The devastating impact of the violence during the eight days of fighting includes an estimated 174 Palestinians killed, including 6 who may have been killed by projectiles fired by Palestinian armed groups that fell inside the Gaza Strip. Of the 174 killed, 101 were civilians, including 36 children and 14 women. In a particularly distressing example of civilians bearing the brunt of the suffering, 12 members of the Dalu family were killed in an Israeli air strike on their house on 18 November. A total of 1,046 Palestinians were reported injured. Six Israelis, including four civilians and two soldiers, were reported killed by Palestinian rocket fire. A total of 239 Israelis were injured, the vast majority civilians.

27. In retaliation to the Gaza offensive, a bomb attack took place in Tel Aviv, on 21 November 2012, injuring 29 people, 3 severely. I condemned the attack in the strongest terms. The calm in Gaza, brokered by Egypt on 21 November, has largely held, but it remains tenuous. Preserving calm in Gaza and southern Israel continues to be crucial for improvements there and for the overall political atmosphere.

28. In total, over the reporting period 331 rockets were fired from Gaza, including 43 medium-long-range rockets, as well as 141 mortar shells, separate from the 1,506 rockets and 138 mortar shells fired during the escalation that occurred from 14 to 21 November. Many rockets directed at populated areas in Israel were intercepted by the Iron Dome system. The Israel Defense Forces conducted 62 incursions and 58 airstrikes into Gaza, resulting in the deaths of 121 Palestinian civilians. More than 1,253 Palestinian civilians were injured during the reporting period. Excluding the eight days of conflict in November 2012, a total of 207 Palestinian civilians were injured, including 47 children. Also during the period, 106 Palestinian militants were killed and 22 injured, excluding the November 2012 figures. Again, I unequivocally condemn these indiscriminate rocket attacks from Gaza into Israel and call for their complete cessation. I also urged Israel to show maximum restraint. All concerned should fully observe their obligations regarding the protection of civilians.

29. There are more than 130 Palestinians being held under Israeli administrative detention, which should only be used in the most limited number of cases, for as short a period as possible, and in exceptional cases. Those detained must be charged and brought to trial or released without delay.

30. I remain concerned about the condition of Palestinian prisoners in Israeli jails, especially those on hunger strike. International human rights obligations towards all Palestinian detainees and prisoners under Israeli custody must be fully respected.

31. Tensions and violent incidents in the West Bank, including East Jerusalem, continued throughout the reporting period. Citing security reasons, the Israel Defense Forces conducted 3,662 search and arrest operations in the West Bank, resulting in the injury of 202 Palestinians, including 51 children, and 4,341

Palestinians were arrested. Overall, during the period, Israeli forces injured 3,918 Palestinians, including 1,179 children. More than 64 Israel Defense Forces personnel were injured by Palestinians.

32. During the reporting period, a total of 338 Palestinians were killed, including 232 civilians, while 5,193 Palestinians were injured throughout the occupied Palestinian territory; 8 Israelis were killed and more than 90 Israel Defense Forces personnel were injured, while 282 Israeli civilians were injured, illustrating the continuing cost of the ongoing conflict. All figures represent a significant increase from the previous reporting period.

33. A final area of concern is the Sinai peninsula, where there have been a growing number of incidents. At least four rockets fired from the Sinai were targeted at the Israeli Red Sea resort of Eilat during the November 2012 escalation. On 17 April 2013, two rockets fired from the Sinai peninsula exploded in open areas of Eilat, causing no casualties or damage. The attack, claimed by the Salafist jihadist group Mujahedeen Shura Council in the Environs of Jerusalem, was the first such rocket firing at Eilat since the November 2012 escalation. On 13 August 2013, the same group fired at least two other rockets at Eilat from the Sinai, of which one was intercepted by the Iron Dome system and the other struck open area. They also conducted a cross-border attack near the Har Harif area on the Israeli-Egyptian border on 21 September 2012, killing an Israel Defense Forces soldier. On 4 July 2013, two explosions were heard in Eilat, without any casualty or damage, reportedly resulting from rockets fired from the Sinai. A Salafist group, Ansar Beit al-Maqdis, took responsibility for the shooting.

34. I recognize that Israel has legitimate security concerns and believe that sustainable security will best be achieved by intensified cooperation, the continued empowerment of the Palestinian Authority's security efforts and performance, the further curtailment of Israel Defense Forces incursions into Palestinian areas, full respect for legitimate non-violent protest, Israeli action to curb settler violence, Palestinian action against incitement and progress in the political negotiations and in economic development.

35. I continue to worry about the state of human rights and freedoms in Gaza. Of particular concern are the reports of arbitrary detention being carried out by Palestinian security forces and the reports of ill-treatment in detention centres in Gaza. I am also deeply concerned about five death sentences passed by military courts in Gaza, between 9 May and 14 July 2013, and two executions carried out on 22 June, without the approval of President Abbas, as is required by Palestinian Basic Law. I call on the de facto authorities in Gaza to refrain from carrying out further executions. I also urge the Palestinian Authority to ensure that it fulfils its responsibilities with full respect for international human rights laws.

36. The Palestinian Authority has achieved what it set out to do three years ago, and this must be noted, preserved and built upon. I am concerned, however, over the ability of the Palestinian Authority to maintain these gains in the light of its increasingly dire financial situation.

37. I strongly encouraged the Government of Israel to take all necessary measures to facilitate economic growth, including the further easing of access and movement within, into and out of the West Bank for both goods and people. In a positive development, Israel provided a considerable number of permits for Palestinian

residents of the West Bank to visit Jerusalem and Israel during Ramadan and applied more flexible regulations at checkpoints and points of passage during the holy month.

38. I would like to express my deep thanks and appreciation to Robert H. Serry, the United Nations Special Coordinator for the Middle East Peace Process, as well as to the Commissioner-General of UNRWA, Filippo Grandi. I also pay tribute to all United Nations staff who work under difficult, at times dangerous, circumstances in the service of the United Nations.

39. I remain hopeful, in the light of recent progress during the latter half of the reporting period, in the search for a negotiated solution which would bring Israel and the Palestinians closer towards durable peace and security, including the realization of the legitimate aspiration of Palestinians to a State of their own, and of Israel to live within recognized and secure borders. What is important now is for the parties to engage seriously on substance. I call on Israeli and Palestinian leaders to show vision, courage and determination to reach a historic peace agreement that would meet the legitimate aspirations of their peoples. I remain convinced that direct and meaningful negotiations are the main avenue towards a comprehensive, fair and lasting solution, including an end to occupation, an end to conflict and a just and agreed solution to the plight of Palestinian refugees.

40. To that end, it is my sincere hope that the parties pursue vigorously all efforts to sustain an environment conducive for the peace process to move forward. In particular, I urge Israel to cease all settlement activity in the occupied West Bank, including East Jerusalem, and to take concrete steps to further ease the numerous restrictions in place both in the West Bank and Gaza. I also strongly encourage all Palestinians on the path of non-violence and unity in line with past PLO commitments, and call on them to pursue their efforts to improve law and order and combat extremism and incitement against Israel, and to continue building strong and democratic institutions that are essential to a viable, independent Palestinian State. In a highly volatile environment, it is crucial that any outbreaks of violence that could undermine political efforts are prevented, and that the parties refrain from provocative steps on the ground. The international community must also play its role by shaping a legitimate and balanced framework that offers a credible political path forward, combined with far-reaching steps on the ground. The international community should understand that its own efforts in pursuit of this goal will increasingly lack credibility if it continues to fail to take the steps necessary to enable an environment conducive to serious engagement.

41. As Secretary-General, I will continue to ensure that the United Nations works towards the establishment of an independent, democratic, contiguous and viable Palestinian State living side by side in peace with a secure Israel in the framework of a comprehensive regional settlement consistent with Security Council resolutions 242 (1967), 338 (1973), 1397 (2002), 1515 (2003) and 1860 (2009), and in accordance with the road map, the Arab Peace Initiative and the principle of land for peace.